

## CHAPTER 1115

### ECONOMIC DEVELOPMENT — ENHANCE IOWA BOARD AND FUND — SPORTS TOURISM PROGRAM AND FUND

S.F. 2308

**AN ACT** relating to economic development by establishing an enhance Iowa board to assume the powers and duties of the vision Iowa board and additional powers and duties, establishing an enhance Iowa fund, establishing a sports tourism program and fund, and including transition provisions.

*Be It Enacted by the General Assembly of the State of Iowa:*

#### DIVISION I ENHANCE IOWA

Section 1. Section 12.71, Code 2016, is amended by adding the following new subsections:

NEW SUBSECTION. 11. The treasurer of state shall not issue bonds or refunding bonds under this section after June 30, 2016.

NEW SUBSECTION. 12. This section is repealed on the date that all bonds and refunding bonds issued pursuant to this section are redeemed in full. The treasurer of state shall notify the Iowa Code editor of this occurrence.

Sec. 2. Section 15F.101, subsection 2, Code 2016, is amended to read as follows:

2. “Board” means the ~~vision~~ enhance Iowa board as created in section 15F.102.

Sec. 3. Section 15F.102, Code 2016, is amended by striking the section and inserting in lieu thereof the following:

#### **15F.102 Enhance Iowa board.**

1. An enhance Iowa board is established consisting of the members described in subsection 2. The board is located within the authority for administrative purposes. The director of the authority shall provide office space, staff assistance, and necessary supplies and equipment for the board. The director shall budget moneys to cover the compensation and expenses of the board. In performing its functions, the board is performing a public function on behalf of the state and is a public instrumentality of the state.

2. The board shall consist of the following voting members appointed by the governor:

a. Two members from each United States congressional district in the state as established in section 40.1.

b. Three members from the state at large.

3. a. Of the voting members appointed pursuant to subsection 2, the governor shall appoint the following:

(1) One person selected by the board of the Iowa natural heritage foundation.

(2) One person with professional experience in finance or investment banking.

(3) One person with professional experience in the tourism industry.

(4) One person with professional experience in architecture, landscape architecture, or historic preservation.

(5) One person with professional experience in cultural attractions and programming.

(6) Six persons actively employed in the private, for-profit sector of the economy who have substantial expertise in economic development.

b. The governor shall appoint the voting members pursuant to subsection 2, subject to sections 69.16, 69.16A, and 69.16C, and subject to confirmation by the senate.

c. The members appointed pursuant to subsection 2 shall be appointed to two-year staggered terms and the terms shall commence and end as provided by section 69.19. If a vacancy occurs, a successor shall be appointed to serve the unexpired term. A successor shall be appointed in the same manner and subject to the same qualifications as the original appointment to serve the unexpired term.

4. In addition to the voting members, the membership of the board shall include four members of the general assembly with one member designated by each of the following: the majority leader of the senate, the minority leader of the senate, the speaker of the house of representatives, and the minority leader of the house of representatives. A legislative member serves for a term as provided in section 69.16B in an ex officio, nonvoting capacity.

5. The governor shall designate the chairperson and vice chairperson of the board from the members appointed pursuant to subsection 2. In the case of absence or disability of the chairperson and vice chairperson, the members of the board shall elect a temporary chairperson by a majority vote of those members who are present and voting.

6. Each voting member of the board shall serve on at least one of the three review committees referred to in sections 15F.203, 15F.304, and 15F.401A.

7. A majority of the total voting membership of the board constitutes a quorum.

Sec. 4. Section 15F.103, Code 2016, is amended by adding the following new subsections:

NEW SUBSECTION. 3A. Oversee the administration by the authority of the sports tourism program pursuant to this chapter.

NEW SUBSECTION. 3B. Oversee the administration of the river enhancement community attraction and tourism program pursuant to this chapter.

Sec. 5. Section 15F.104, Code 2016, is amended to read as follows:

**15F.104 Authority duties.**

The authority, subject to approval by the board, shall adopt administrative rules pursuant to chapter 17A necessary to administer ~~the community attraction and tourism program and the vision Iowa program~~ the programs established pursuant to this chapter. The authority shall provide the board with assistance in implementing administrative functions, marketing the programs, providing technical assistance and application assistance to applicants under the programs, negotiating contracts, and providing project follow-up. The authority, ~~in cooperation with the treasurer of state,~~ may conduct negotiations on behalf of the board with applicants regarding terms and conditions applicable to awards under the programs.

Sec. 6. NEW SECTION. **15F.107 Enhance Iowa fund.**

1. *a.* The authority shall establish a fund pursuant to section 15.106A, subsection 1, paragraph “o”, for purposes of allocating moneys to programs specified in an appropriation made to the enhance Iowa fund. A fund established for purposes of this section may be administered as a revolving fund and may consist of any moneys appropriated by the general assembly for purposes of this section.

*b.* Notwithstanding section 8.33, at the end of each fiscal year moneys in a fund established for purposes of this section shall not revert to any other fund but shall remain in the fund for expenditure for subsequent fiscal years.

*c.* Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund. Repayments and recaptures of program moneys shall be credited to the fund.

2. The authority shall submit a report to the general assembly and the governor’s office each year that moneys are appropriated to the fund established in this section describing the use of moneys and the results achieved under each of the programs receiving fund moneys.

Sec. 7. Section 15F.203, subsections 1 and 2, Code 2016, are amended to read as follows:

1. Applications for assistance under the program shall be submitted to the authority. For those applications that meet the eligibility criteria, the authority shall forward the applications to the board and provide a staff review analysis and evaluation to the community attraction and tourism program review committee referred to in subsection 2 and to the board.

2. A review committee composed of five members of the board shall review community attraction and tourism program applications ~~submitted~~ forwarded to the board and make recommendations regarding the applications to the board. The review committee shall consist of members of the board ~~listed in,~~ with one member from each congressional district under section 15F.102, subsection 2, paragraphs paragraph “a” through “e”, and one member from the state at large under section 15F.102, subsection 2, paragraph “b”.

Sec. 8. Section 15F.204, subsection 8, Code 2016, is amended by striking the subsection.

Sec. 9. Section 15F.304, subsections 1 and 2, Code 2016, are amended to read as follows:

1. Applications for assistance under the program shall be submitted to the authority. For those applications that meet the eligibility criteria, the authority shall forward the applications to the board and provide a staff review and evaluation to the vision Iowa program review committee referred to in subsection 2 and to the board.

2. A review committee composed of eight six members of the board shall review vision Iowa program applications and river enhancement community attraction and tourism project applications submitted forwarded to the board and make recommendations regarding the applications to the board. The review committee shall consist of members of the board listed in, with one member from each congressional district under section 15F.102, subsection 2, paragraphs “d” through “h” paragraph “a”, and two members from the state at large under section 15F.102, subsection 2, paragraph “b”.

Sec. 10. NEW SECTION. 15F.401 Sports tourism program.

1. a. The authority shall establish, and, at the direction of the board, shall administer a sports tourism program to provide financial assistance for projects that promote sporting events for organizations of accredited colleges and universities and other sporting events in the state.

b. For purposes of this section:

(1) “*District*” means a regional sports authority district certified under section 15E.321.

(2) “*Financial assistance*” means assistance provided only from the funds available to the authority or the board and includes assistance in the form of grants, loans, and forgivable loans.

(3) “*Organization*” means a corporation, conference, association, or other organization which has as one of its primary purposes the sponsoring or administration of extracurricular intercollegiate athletic contests or competitions.

c. The authority, by rule, shall define “*accredited colleges and universities*”, in consultation with the college student aid commission.

2. a. A city or county in the state or a public organization, including a convention and visitors bureau or a district, may apply to the authority for financial assistance for a project that actively and directly promotes sporting events for accredited colleges and universities and other sporting events in the area served by the city, county, or public organization.

b. A city, county, or public organization may apply for and receive financial assistance for more than one project.

c. A city, county, or public organization may apply for financial assistance for a project that spans multiple fiscal years or may apply for renewal of financial assistance awarded in a prior year if all applicable contractual requirements are met. The decision as to whether to renew an award shall be at the discretion of the board. The board may adopt by rule certain metrics and return on investment estimates for purposes of this paragraph. The authority may include such metrics and estimates in a program agreement executed pursuant to this section.

d. A convention and visitors bureau may apply to the authority for financial assistance pursuant to this section and a district may apply to the authority for district financial assistance, but a convention and visitors bureau shall not in the same year receive financial assistance under the program created in this section and financial assistance as part of a district.

3. The authority shall process applications under this section in accordance with this section and section 15F.401A.

4. An applicant shall demonstrate matching funds in order to receive financial assistance pursuant to this section. The amount of matching funds that may be required shall be at the board’s discretion.

5. The board shall make final funding decisions on each application and may approve, deny, defer, or modify applications for financial assistance under the program, in its discretion, in order to fund as many projects with the moneys available as possible. The board and the authority may negotiate with applicants regarding the details of projects and the amount and

terms of any award. In making final funding decisions pursuant to this subsection, the board and the authority are exempt from chapter 17A.

6. *a.* A city, county, or public organization may use financial assistance received under the program for marketing, promotions, and infrastructure. Whether an activity or individual cost item is directly related to the promotion of the sporting event shall be within the discretion of the authority.

*b.* All applications to the authority for financial assistance shall be made at least ninety days prior to an event's scheduled date. A city, county, or public organization shall not use financial assistance received under the program as reimbursement for completed projects.

7. An applicant receiving financial assistance shall provide an annual report to the authority for years in which it receives financial assistance under this section. The report shall include the information the authority deems relevant.

8. Each applicant receiving an award of financial assistance from the board shall enter into an agreement with the authority. The agreement shall contain such terms and conditions as the board may place on the award or the authority may deem necessary for the efficient administration of the program established in this subchapter.

9. The authority, with the approval of the board, shall adopt rules for the administration of this subchapter.

**Sec. 11. NEW SECTION. 15F.401A Sports tourism program application review.**

1. Applications for assistance under the sports tourism program shall be submitted to the authority. For those applications that meet the eligibility criteria, the authority shall forward the applications to the board and provide a staff review analysis and evaluation to the sports tourism program review committee referred to in subsection 2 and to the board.

2. A review committee composed of five members of the board shall review sports tourism program applications forwarded to the board and make recommendations regarding the applications to the authority. The review committee shall consist of members of the board, with one member from each congressional district under section 15F.102, subsection 2, paragraph "a", and one member from the state at large under section 15F.102, subsection 2, paragraph "b".

3. When reviewing the applications, the review committee and the authority shall consider, at a minimum, all of the following:

- a.* Impact of the project on the local, regional, and state economies.
- b.* Potential to attract Iowans and out-of-state visitors.
- c.* Amount of positive advertising or media coverage the project generates.
- d.* Quality, size, and scope of the project.
- e.* Ratio of public-to-private investment.

4. Upon review of the recommendations of the review committee, the board shall approve, defer, or deny the applications in accordance with section 15F.401.

**Sec. 12. NEW SECTION. 15F.402 Sports tourism program fund.**

1. *a.* The authority shall establish a fund pursuant to section 15.106A, subsection 1, paragraph "o", for purposes of financing sports tourism projects as described in this subchapter. The fund established for purposes of this section may be administered as a revolving fund and may consist of any moneys appropriated by the general assembly for purposes of this section.

*b.* Notwithstanding section 8.33, moneys in a fund established for purposes of this section at the end of each fiscal year shall not revert to any other fund but shall remain in the fund for expenditure for subsequent fiscal years.

*c.* Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund.

2. *a.* Moneys in the fund are appropriated to the authority for purposes of providing financial assistance to cities, counties, and public organizations under the sports tourism program established and administered pursuant to this subchapter.

*b.* The board in its discretion shall allocate the available moneys in the fund among the programs described in paragraph "a" in the amounts determined by the board.

## DIVISION II CONFORMING PROVISIONS

Sec. 13. Section 12.72, subsection 1, Code 2016, is amended to read as follows:

1. A vision Iowa fund is created and established as a separate and distinct fund in the state treasury. The moneys in the fund are appropriated to the ~~vision~~ enhance Iowa board for purposes of the vision Iowa program established in section 15F.302. Moneys in the fund shall not be subject to appropriation for any other purpose by the general assembly, but shall be used only for the purposes of the vision Iowa fund. The treasurer of state shall act as custodian of the fund and disburse moneys contained in the fund as directed by the ~~vision~~ enhance Iowa board, including automatic disbursements of funds received pursuant to the terms of bond indentures and documents and security provisions to trustees. The fund shall be administered by the ~~vision~~ enhance Iowa board which shall make expenditures from the fund consistent with the purposes of the vision Iowa program without further appropriation. An applicant under the vision Iowa program shall not receive more than seventy-five million dollars in financial assistance from the fund.

Sec. 14. Section 12.75, subsection 1, Code 2016, is amended to read as follows:

1. The ~~vision~~ enhance Iowa board may undertake a project for two or more applicants jointly or for any combination of applicants, and may combine for financing purposes, with the consent of all of the applicants which are involved, the project and some or all future projects of any applicant, and sections 12.71, 12.72, and 12.74, this section, and sections 12.76 and 12.77 apply to and for the benefit of the ~~vision~~ enhance Iowa board and the joint applicants. However, the money set aside in a fund or funds pledged for any series or issue of bonds or notes shall be held for the sole benefit of the series or issue separate and apart from money pledged for another series or issue of bonds or notes of the treasurer of state. To facilitate the combining of projects, bonds or notes may be issued in series under one or more resolutions or trust agreements and may be fully open-ended, thus providing for the unlimited issuance of additional series, or partially open-ended, limited as to additional series.

Sec. 15. Section 15.108, subsection 5, paragraph c, Code 2016, is amended to read as follows:

c. Coordinate and develop with the department of transportation, the department of natural resources, the department of cultural affairs, the ~~vision~~ enhance Iowa board, other state agencies, and local and regional entities public interpretation, marketing, and education programs that encourage Iowans and out-of-state visitors to participate in the recreational and leisure opportunities available in Iowa. The authority shall establish and administer a program that helps connect both Iowa residents and residents of other states to new and existing Iowa experiences as a means to enhance the economic, social, and cultural well-being of the state. The program shall include a broad range of new opportunities, both rural and urban, including main street destinations, green space initiatives, and artistic and cultural attractions.

Sec. 16. Section 15E.321, Code 2016, is amended by adding the following new subsection: NEW SUBSECTION. 3A. Each district may apply for and receive financial assistance under the sports tourism program established by the authority pursuant to section 15F.401.

## DIVISION III TRANSITION PROVISIONS

Sec. 17. BOARD COOPERATION — TRANSITION PROVISIONS. The economic development authority shall ensure the effective transition of powers and duties from the vision Iowa board to the enhance Iowa board in implementing this Act. In the interest of maintaining the institutional knowledge possessed by members of the vision Iowa board, it is the intent of the general assembly that the governor should appoint at least three but not more than seven members of the vision Iowa board in existence on June 30, 2016, to the

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enhance Iowa board. The initial members of the enhance Iowa board shall be appointed by November 1, 2016.

Approved May 27, 2016